



# Department of Justice

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**BELGIAN MOVING AND STORAGE COMPANY AND TOP EXECUTIVE  
CHARGED WITH PRICE FIXING AND DEFRAUDING THE U.S. MILITARY**

WASHINGTON, D.C. -- A federal grand jury in Alexandria, Virginia, today indicted Gosselin World Wide Moving N.V., a Belgian moving and storage company, and a top executive, for conspiring to fix rates and to defraud the U.S. military in connection with a scheme to raise rates charged to the Department of Defense (DOD) to move household goods belonging to military and civilian DOD personnel from Germany to the United States, the Department of Justice announced.

The two-count indictment charges that Gosselin N.V., headquartered in Antwerp, Belgium, and its managing director, Marc Smet, a Belgian national, participated in the scheme in 2002. Smet was arrested on October 14, 2003, in Honolulu on the same charges.

"Today's indictment demonstrates our ongoing commitment to prosecuting anticompetitive conduct whenever it threatens the United States," said R. Hewitt Pate, Assistant Attorney General in charge of the Department's Antitrust Division.

In recent years, the DOD has spent more than \$100 million annually to move the household goods of its military and civilian personnel from Germany to the United States.

The indictment charges Gosselin N.V. and Smet with engaging in a conspiracy to eliminate competition by fixing rates submitted to DOD, in violation of the Sherman Antitrust Act. The indictment also charges Gosselin N.V. and Smet with conspiring to defraud the United States by increasing the rates paid by the DOD for the transportation of military household goods from Germany to the United States.

The fraud charge against Gosselin N.V. carries a maximum \$500,000 fine. The Sherman Act charge is punishable by a fine of \$10 million. The charges against Smet are punishable by five years imprisonment and a \$250,000 fine on the fraud offense and three years imprisonment and a \$350,000 fine on the Sherman Act offense. The maximum fine levels may be increased to twice the gain derived from the crime or twice the loss suffered by the victim of the crime, if either of those amounts is greater than the statutory maximum fine. In addition, the defendants could be ordered to pay restitution for the full amount of the victim's loss.

The ongoing investigation is being conducted by the Antitrust Division's National Criminal Enforcement Section, in Washington, D.C. with the assistance of the Defense Criminal Investigative Service and the Army Criminal Investigative Command.

Anyone with information concerning price fixing, bid rigging, or fraud in the military moving and storage industry or concerning conspiratorial conduct for the purpose of reducing or eliminating competition on any government defense contract should call the National Criminal Enforcement Section of the Antitrust Division at (202) 307-6694 or the Defense Criminal Investigative Service at (410) 529-9054.

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